



architecture
planning
interiors

August 18, 2005

Ms. Linda Adlard
Chief of Staff
City of Beaverton
Beaverton Oregon
4755 SW Griffith Drive
Beaverton, OR 97005

Re: Mixed Use Project Development Proposal
Farmington Road and Main Avenue
Beaverton, Oregon

Dear Linda:

After two years of working with the City of Beaverton to frame this project, Craig Stanley and I are pleased to submit the attached proposal for the mixed use development of the site at the intersection of Farmington Road and Main Avenue in downtown Beaverton.

Attached for your review are the following documents:

- Proposed Team Members
- Qualifications of the Team
- Description of the Proposed Project
- Proposed Design of the Project (Conceptual Architectural Design)
- Financial Plan for the Project
- Preliminary Project Schedule

We are committed to working with you as your Development Team to successfully complete this project in the City of Beaverton. As such, we believe that the relationships that we have collectively developed over the last couple years is that of mutual respect, trust, and confidence and that we will collectively design and build a project that is a win-win for all parties involved.

We look forward to presenting our proposal to you in person tomorrow afternoon.

Sincerely,

Paul C. Bunton, AIA

Enclosure: Development Proposal

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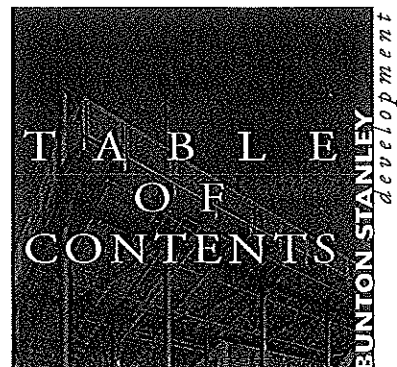
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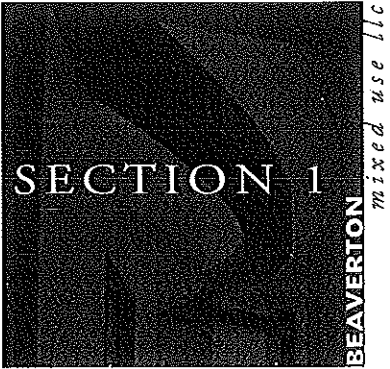
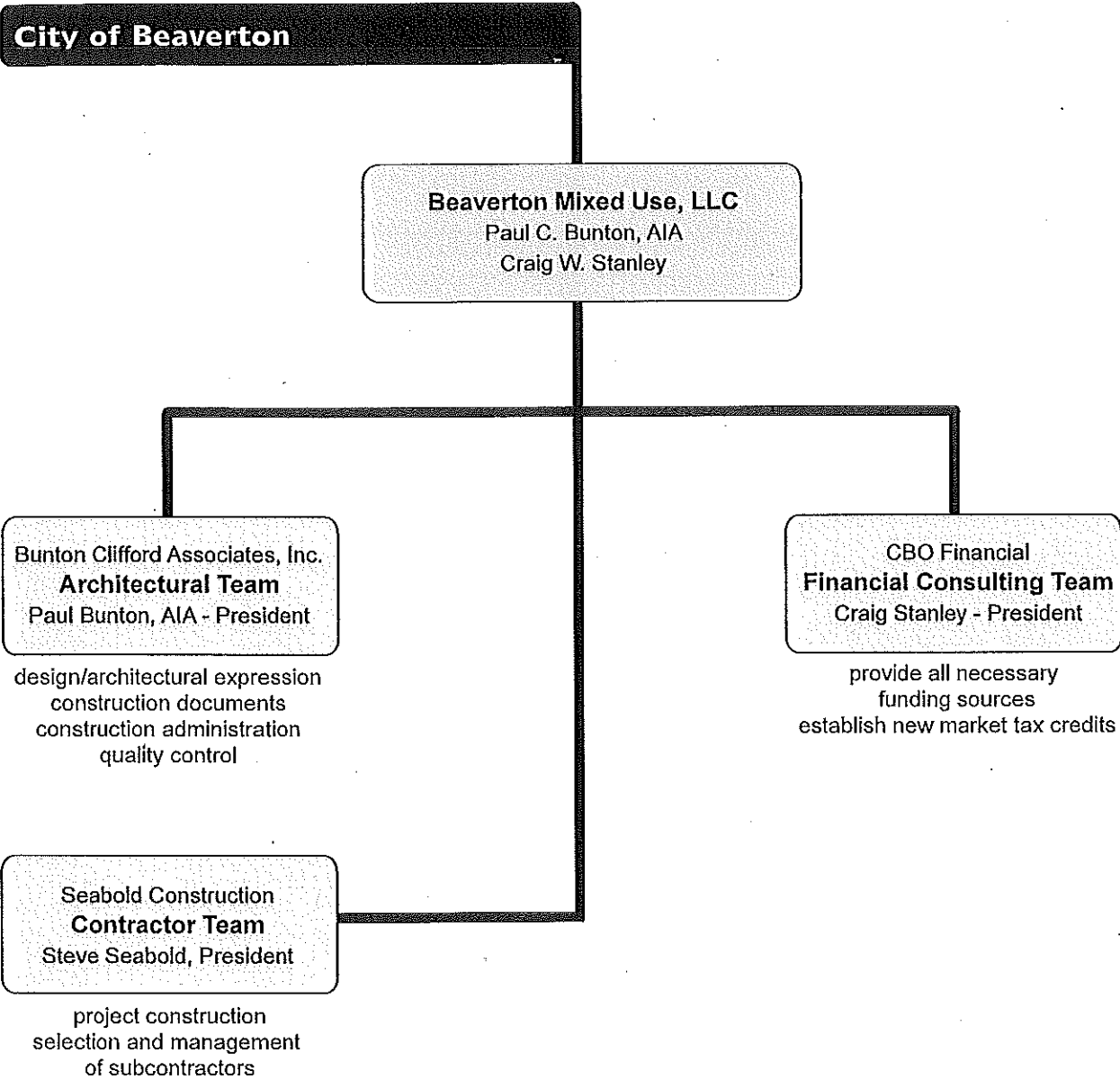
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Team Organizational Chart

City of Beaverton Mixed Use Site at Farmington Rd & Main Ave



Team Qualifications

City of Beaverton Mixed Use Site at Farmington Rd & Main Ave

Mr. Paul C. Bunton, AIA

Paul Bunton is a true visionary with a passion for design. After receiving his Bachelor of Architecture from Kansas State University in 1982, he moved to California in order to pursue his vision. Since establishing his own Architectural Firm in 1989, he has led the Firm to its current renowned status as one of Northern California's top architectural firms, widely known for their high quality design and exceptional client service.

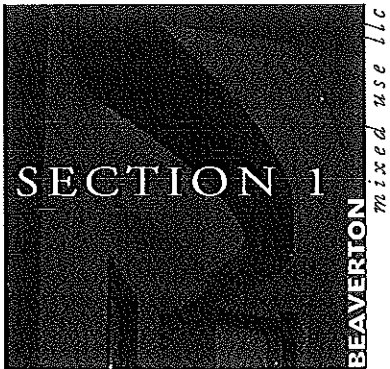
Throughout his 16 years as President of Bunton Clifford Associates, Inc. (BCA), Paul Bunton has orchestrated some of the Firm's most significant projects whose energy have helped enhance and strengthen the communities in which they are located. He developed the interactive workshop-based design process that BCA utilizes efficiently throughout the design of many public projects to ensure proper communication and involvement of all parties. In leading these workshops, Mr. Bunton's highly developed ability to carefully interpret the needs of each client, as well as build consensus with diverse committee and community members has won acclaim for BCA. Many of these exceptional projects have the distinctive honor of being recognized by the presentation of design awards.

Mr. Craig W. Stanley

Craig Stanley is the President and founder of CBO Financial, Inc. He specializes in government and private sector programs such as the New Markets Tax Credit program, and can often provide below-market financing rates and terms. Craig will be the financial consultant for this project team and will provide all necessary funding sources.

Key Consultants

Bunton Clifford Associates, Inc. (BCA) is an award winning San Francisco Bay Area based Architectural Firm established in 1989 by Paul Bunton, AIA. The firm has developed an extensive portfolio in a diverse body of project types including residential projects ranging from affordable multifamily, townhouses, lofts, single family, and larger scale mixed-use projects to educational, religious, office, and retail. BCA was recently honored by receipt of the 2004 East Bay Residential Design Award of the Year for a Multifamily Townhouse Development located in Fremont, California.

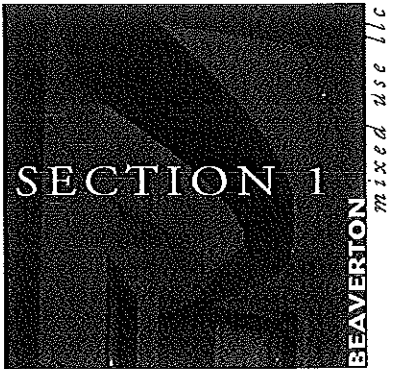


Team Qualifications
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BCA is a mid-sized 35-member Firm consisting of an extremely diverse staff of professionals versed in a variety of project types. Our steadfast mission is *"Partnering with Clients to Achieve Excellence in Design."*

CBO Financial (CBO) provides a comprehensive array of services to nonprofit faith and community-based organizations seeking to build or acquire facilities, including project planning, design coordination, permit processing, financing, and construction management. The 14,570 square foot health clinic space is anticipated to be leased or purchased by Virginia Garcia Memorial Health Center; the mission of the center is to provide high quality, comprehensive and culturally appropriate primary health care to the communities of Washington and Yamhill counties with a special emphasis on migrant and seasonal farm workers and others with barriers to receiving care.

Seabold Construction has twenty years of experience in residential construction in the Beaverton area and a strong commitment to affordable housing. The company has built 470 projects ranging in size from \$2 million to \$9 million in construction costs and has built over 1,400 affordable units in projects ranging from 8 units to 144 units in size. Seabold Construction has won numerous awards for its projects, the most recent of which are the Daily Journal of Commerce's Top Project Award in 2004 for Villas de Mariposas Multifamily Affordable Housing in Portland and The National Association of Homebuilders' Green Project of the Year Award in 2004 for the Douglas Meadows Multifamily Affordable Housing in Portland.



Project Summary and Development

City of Beaverton Mixed Use Site at Farmington Rd & Main Ave

DESCRIPTION OF THE PROPOSED PROJECT

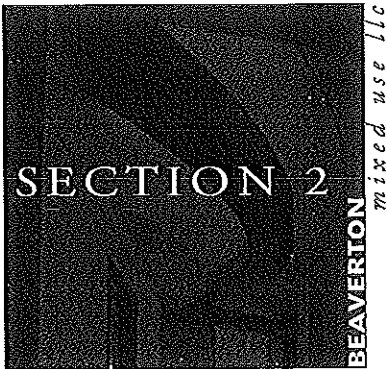
We propose to design and construct a three story building as follows:

- a) FIRST FLOOR – Approximately 27,000 sq. ft of Medical Clinic and Speculative Retail; structured parking garage (105 on-site parking spaces)
- b) FIRST FLOOR – Approximately 26,000 sq. ft. of structured Parking; an above grade structured parking garage with approximately 105 parking spaces is being provided to serve the residents and tenants of the proposed building.
- c) SECOND FLOOR – Approximately 16,300 sq. ft. of speculative Office space
- d) THIRD FLOOR – Approximately (8) one bedroom and (6) two bedroom Condominiums for sale (total of 14 units).

PROPOSED USES (by floor)

The following describes how our project is proposed to be used

- a) The FIRST FLOOR of the proposed building has been designed to house the following tenants:
 - 1. Virginia Garcia Health Center
(approximately 14,570 sq. ft. plus common area load)
 - 2. Asian Health & Service Center
(approximately 3,280 sq. ft. plus common area load)
 - 3. Pacific University Vision Center
(approximately 4,960 sq. ft. plus common area load)
 - 4. Speculative Retail
(approximately 2,770 sq. ft. plus common area load)
- b) The SECOND FLOOR of the proposed building has been designed as Speculative Office space (16,300 sq. ft.). This space can be demised into tenant suites as small as 1000 sq. ft. It is our understanding that the City of Beaverton is discussing the possibility of leasing this entire floor to Providence.
- c) The THIRD FLOOR of the proposed building has been designed as 'For Sale' Residential Condominiums. This floor



Project Summary and Development
Continued

has been designed to house the following:

- 1. Eight (8) one-bedroom units of 650 sq. ft. each
- 2. Six (6) two-bedroom units of between 960 and 1060 sq. ft. each

ARCHITECTURAL DESIGN

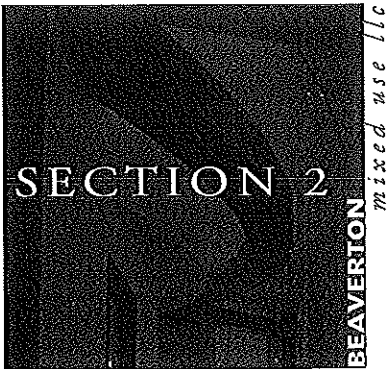
The project has been designed to be a landmark building in downtown Beaverton; a building that will set the precedence for future development of what will become the revitalization of downtown.

The three story building creates a sense of uniqueness to downtown Beaverton with the purposeful placement of the three story structure on the perimeter of the site (property line to property line). The elegant use of brick, metal panels, and glass for the exterior expression creates a contemporary expression of permanence and elegance for downtown. The articulation of the exterior facades to express the three varied uses (medical clinic/ retail, commercial office, and residential) creates great interest in shade and shadow.

The structural system for the building will be a combination of wood and steel frame.

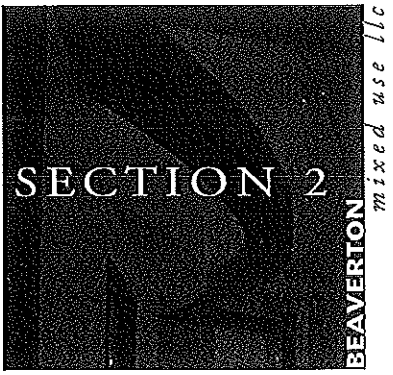
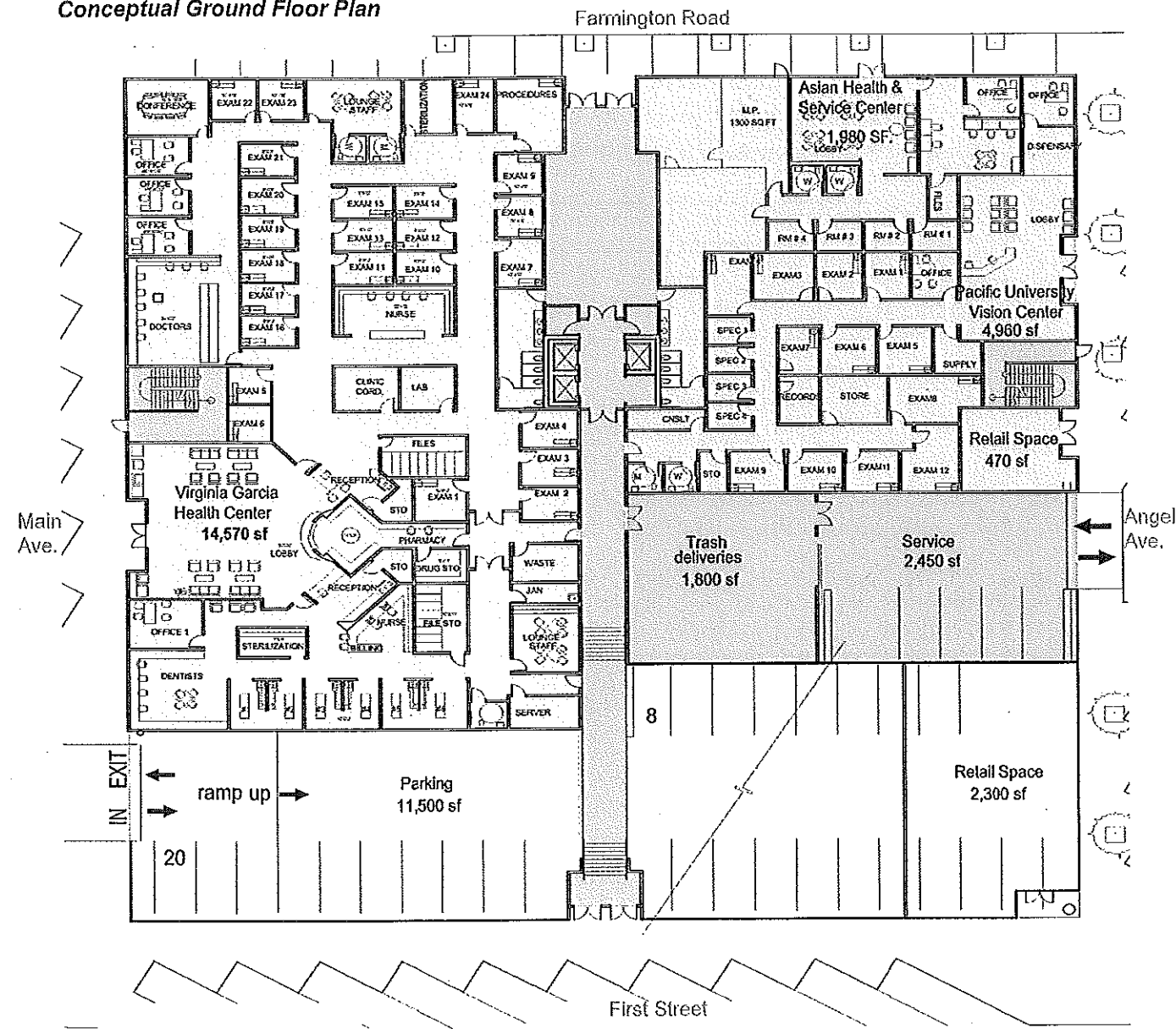
The parking garage will be constructed of either poured in place concrete or pre-cast concrete. The parking garage is wrapped in brick panels to harmonize with the main building and integrate into the surrounding downtown area as an asset.

We believe that the design as proposed will create the kind of scale in the downtown that the City has been requesting from the beginning of our involvement in the project.



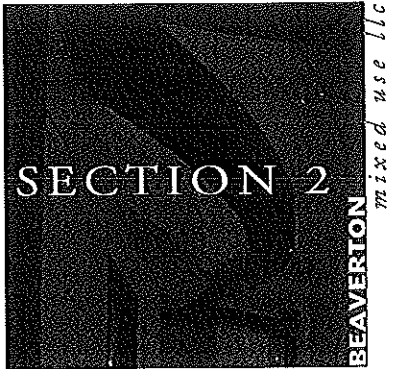
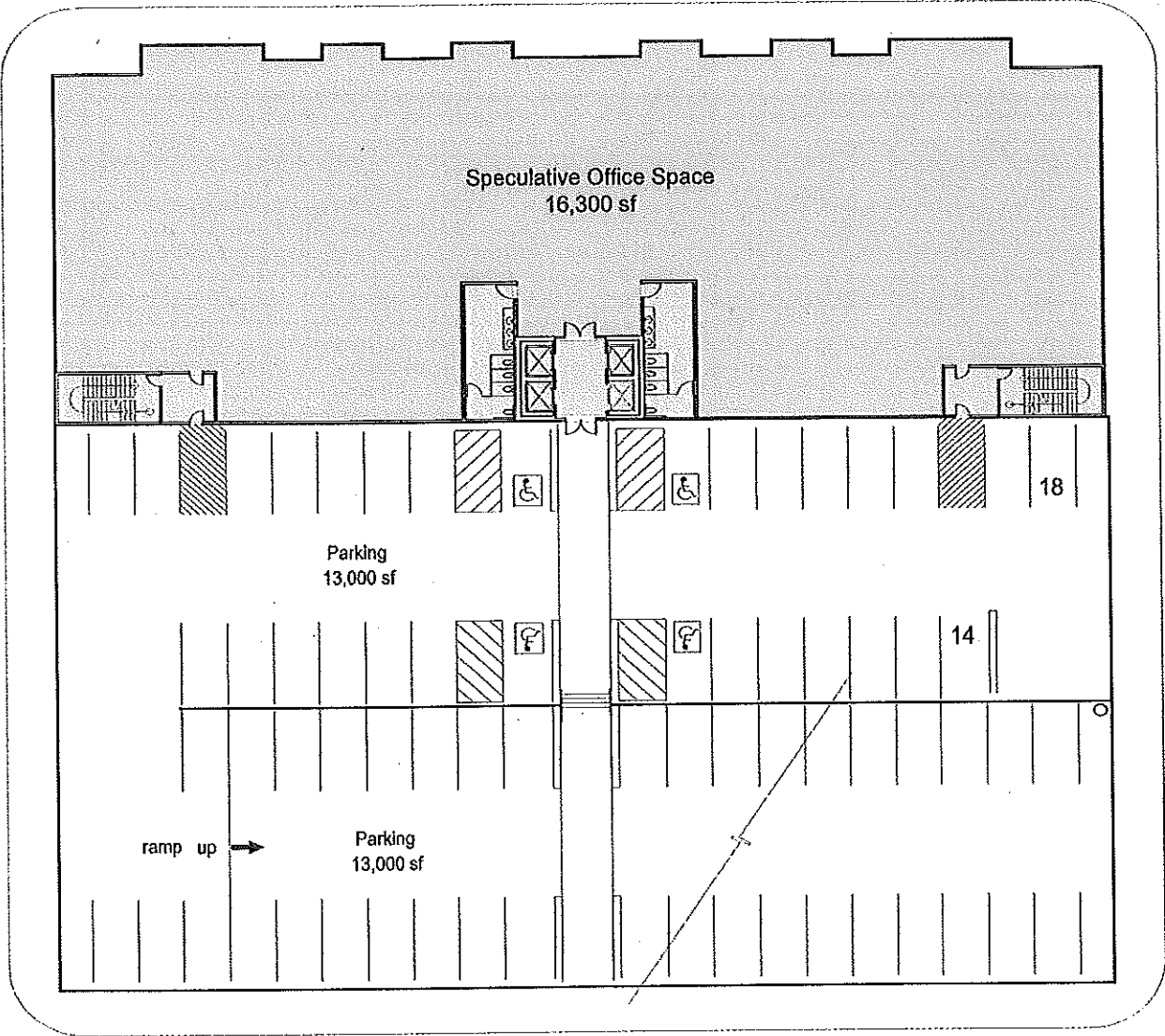
Project Summary and Development
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Conceptual Ground Floor Plan



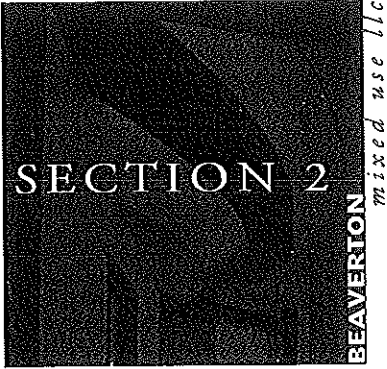
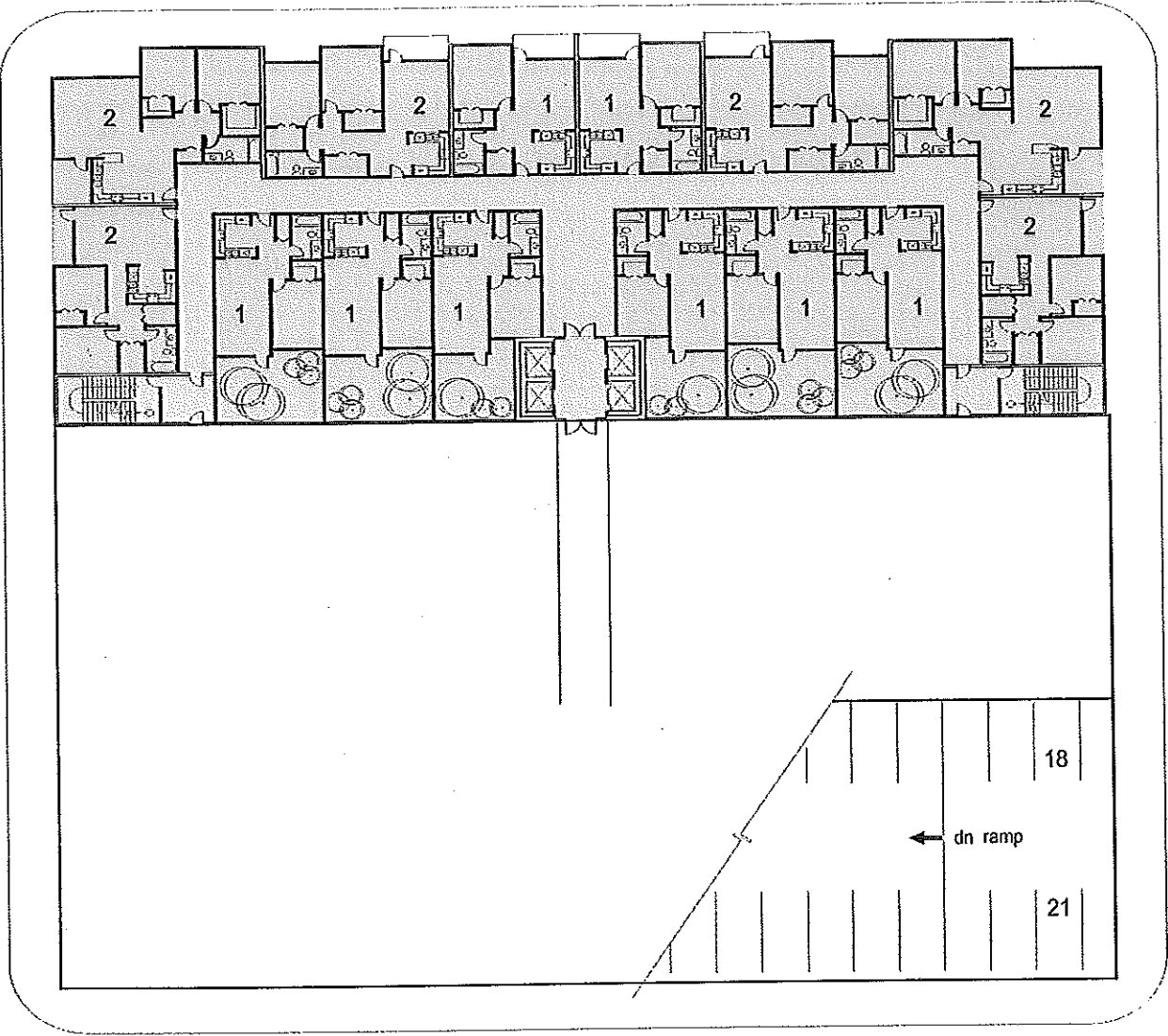
Project Summary and Development
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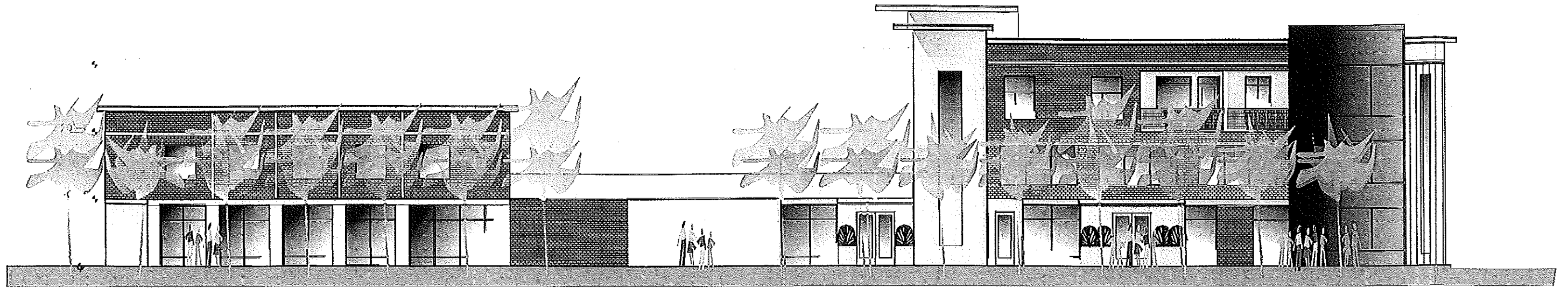
Conceptual Second Floor Plan



Project Summary and Development
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Conceptual Third Floor Plan

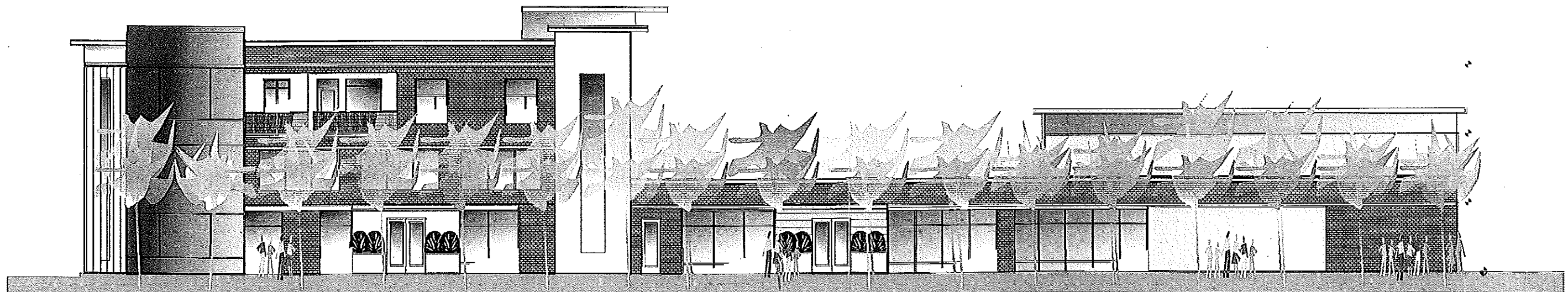




SCALE: 1"=20'-0"

ANGEL AVENUE ELEVATION

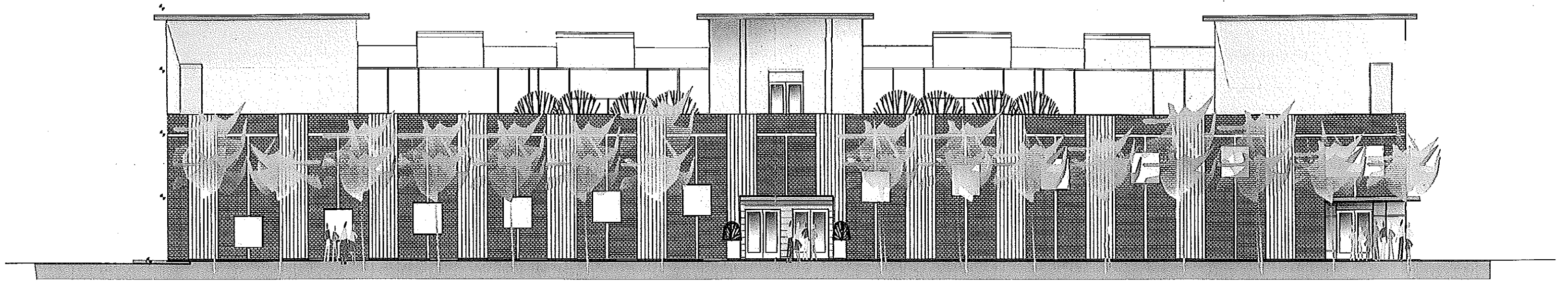
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SCALE: 1/8"=1'

MAIN AVENUE ELEVATION

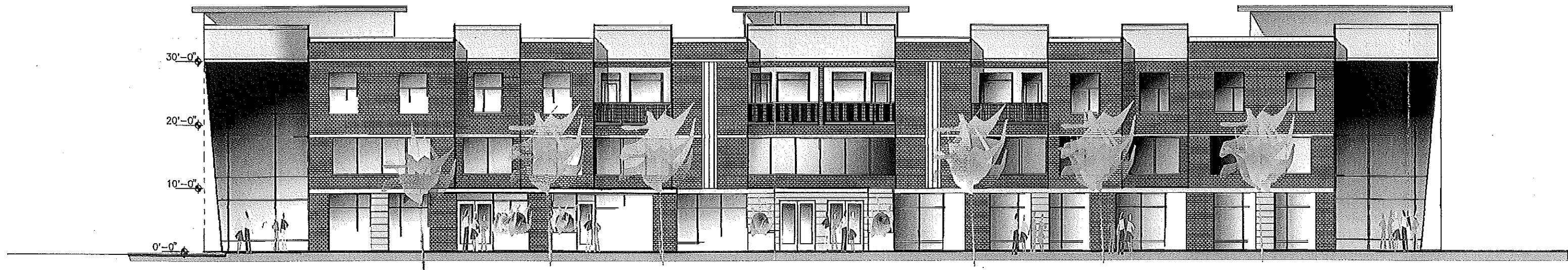
2



FIRST STREET ELEVATION

1

SCALE: 1/8"=1'



FARMINGTON ELEVATION

2

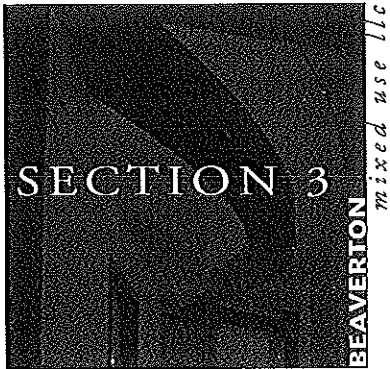
SCALE: 1/8"=1'

Financial Project Plan and Outlined Terms of Agreement
City of Beaverton Mixed Use Site at Farmington Rd & Main Ave

PRELIMINARY TERMS OF THE AGREEMENT

The following outlines the general terms of agreement:

- a) FIRST FLOOR –
- Virginia Garcia Health Center (14,570 sq. ft.)
- 1. \$21/sq. ft./year
 - 2. \$20/sq. ft. tenant improvement allowance
 - 3. Minimum 10-year lease
- Asian Health and Services Center (3,280 sq. ft.)
- 1. \$21/sq. ft./year
 - 2. \$20/sq. ft. tenant improvement allowance
 - 3. Minimum 10-year lease
- Pacific University Vision Center (4,960 sq. ft.)
- 1. \$21/sq. ft./year NNN lease agreement
 - 2. \$20/sq. ft. tenant improvement allowance
 - 3. Minimum 10-year lease
- Speculative Retail Space (2,770 sq. ft.)
- 1. \$25/sq. ft./year NNN lease agreement
 - 2. \$20/sq. ft. tenant improvement allowance
 - 3. Lease term to be negotiated
- Structured Parking Garage
- 1. Approximately 105 spaces provided on site
 - 2. The City agrees to allow the use of between 20 and 40 parking spaces off-site immediately surrounding the project (i.e. surface street parking).
- b) SECOND FLOOR –
- Speculative Office space
- 1. \$25/sq. ft./year
 - 2. \$20/sq. ft. tenant improvement allowance
 - 3. Lease terms to be negotiated (min. 3-years)
- c) THIRD FLOOR –
- 1. One bedroom units; approximate sales value of \$190,000
 - 2. Two bedroom units; approximate sales value of \$220,000



Financial Project Plan and Outlined Terms of Agreement
Continued

- d) LAND –
The City of Beaverton agrees to sell the land at the end of the project (upon substantial completion of the project) for the amount of \$900,000.
- e) OFF-SITE IMPROVEMENTS –
The City of Beaverton agrees to design and construct any off-site improvements required by the City for this project.
- f) SUBSIDY –
The City of Beaverton agrees provide a Transit Oriented Development subsidy equal to approximately \$130,000.

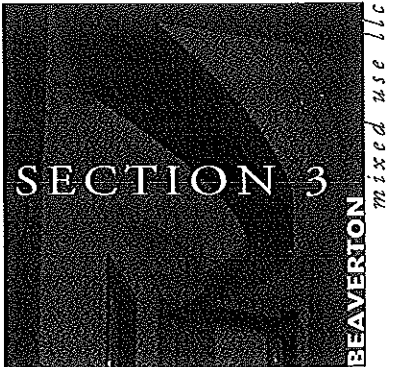
PRELIMINARY FINANCING PLAN THE PROJECT
(approach to funding the project)

The project will be financed as follows:

- Land Costs - \$900,000; deferred by the City of Beaverton until the completion of the project.
- Soft Costs (architectural and engineering fees) - carried by BCA Architects (financial information available upon request).
- Hard Construction Costs - Estimated Construction Loan needed to construct the project = \$6.9 million (assuming 80% loan to value). Craig Stanley and CBO Financial are securing letters of intent from a series of lenders (to be provided in the near future). The project is to be secured by Paul Bunton and Craig Stanley (financial information available upon request).
- New Market Tax Credits will be utilized for 20% of the Construction Costs = \$1.7 million

OTHER CONDITIONS OR ASSUMPTIONS OF OUR
DEVELOPMENT PROPOSAL

- The City of Beaverton will assist in securing the leases (per the outlined lease terms above) for the Virginia Garcia



Financial Project Plan and Outlined Terms of Agreement

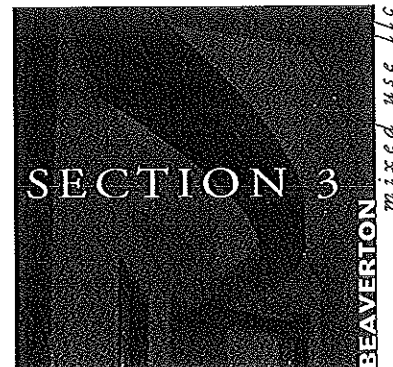
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Health Clinic, the Asian Health and Services Center, and the Pacific University Vision Center.

- The City of Beaverton will work with the Development Team in an effort to secure the leases (per the outlined lease terms above) for the speculative office space (second floor).
- The City of Beaverton will work in concert with the Development Team to expedite the project through the City Entitlement and the City Building Permit processes.
- The terms of the Development Agreement are acceptable to both parties
- This proposal is subject to the approval of final financing by the Development Team's selected lender.

PROJECT SCHEDULE

- The proposed project schedule is attached as part of this proposal.



Beaverton Mixed -Use																
REVISED CONSTRUCTION COST ESTIMATE																
HOUSING			SQ.FT	COST	TOTAL HARD COSTS	PRELIMINARY PROJECT PROFORMA										
1 FLOOR																
CONDOMINIUMS (FOR SALE)	14465	14465	\$125	\$1,808,125	\$1,808,125											
14 units (variety of plans)		14 UNITS TOTAL														
														</		

Pre-Development and Construction Schedule

City of Beaverton Mixed Use Site at Farmington Rd & Main Ave
Preliminary Schedule

Development Agreement	30 Days	8/19/05	9/17/05
Schematic Design Phase	45 Days	9/18/05	11/01/05
City Entitlements	90 Days	11/02/05	1/30/06
Design Development	30 Days	1/31/06	3/01/06
Construction Documents	60 Days	3/02/06	4/30/06
Building Permit Phase	30 Days	5/01/06	5/30/06
Construction Phase	270 Days	5/31/06	2/24/07

